

CHRISTOPHER S. BOND, MISSOURI, CHAIRMAN
JOHN F. KERRY, MASSACHUSETTS, RANKING MEMBER

CONRAD BURNS, MONTANA
ROBERT F. BENNETT, UTAH
OLYMPIA J. SNOWE, MAINE
MICHAEL ENZI, WYOMING
PETER G. FITZGERALD, ILLINOIS
MIKE CRAPO, IDAHO
GEORGE ALLEN, VIRGINIA
JOHN ENSIGN, NEVADA

CARL LEVIN, MICHIGAN
TOM HARKIN, IOWA
JOSEPH I. LIEBERMAN, CONNECTICUT
PAUL D. WELLSTONE, MINNESOTA
MAX CLELAND, GEORGIA
MARY LANDRIEU, LOUISIANA
JOHN EDWARDS, NORTH CAROLINA
MARIA CANTWELL, WASHINGTON

EMILIA DISANTO, REPUBLICAN STAFF DIRECTOR
PAUL H. COOKSEY, REPUBLICAN CHIEF COUNSEL
PATRICIA R. FORBES, DEMOCRATIC STAFF DIRECTOR AND CHIEF COUNSEL

United States Senate

COMMITTEE ON SMALL BUSINESS

WASHINGTON, DC 20510-6350

September 9, 2002

BY FACSIMILE: (703) 305-5500

ORIGINAL VIA U.S. MAIL

The Honorable Donna D. Bennett
Commissioner
Federal Supply Service
General Services Administration
1800 F Street, NW
Washington, DC 20405

Dear Commissioner Bennett:

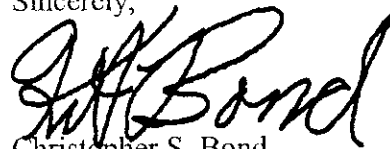
In April 2001, the U.S. Department of State, Office of Small and Disadvantaged Business Utilization (OSDBU) contacted you and requested your assistance in ensuring that ordering agencies be afforded credit for Federal Supply Schedules (FSS) contracting with HUBZone certified companies. I understand you intend to negotiate a Memorandum of Understanding (MOU) to make that happen.

In that regard, I am most interested in learning about the current status of that effort. In addition, I would appreciate a response to the two following questions: (1) Is an MOU necessary to enable federal agencies who contract with HUBZone certified companies through FSS to receive credit for these HUBZone schedule orders in order to meet agency goals for federal contracting outlined in Section 15(g) of the Small Business Act, and (2) How many of the other Section 15(g) small business goals do not allow credit for agency purchases. I would appreciate receiving a response to these questions by October 3, 2001.

As Ranking Member of the Senate Committee on Small Business, I am concerned that federal agencies lack the proper incentives to continue contracting with HUBZone companies. HUBZone companies are situated in the most severely blighted communities across the country. HUBZone communities suffer from economic stagnation and increasing poverty, which is why it is imperative that we give these federal agencies a greater incentive to provide contracting preferences to HUBZone companies. The result would potentially strengthen the economic abilities of these low-income communities. We can no longer afford to wait.

Please feel free to contact Macey Small, Professional Staff Member of the Small Business Committee, at 202-224-4086. Thank you in advance for your assistance.

Sincerely,



Christopher S. Bond
Ranking Member